

XV Online Bank Reconciliation

The Check Writer Subsystem provides the following two features that departments can use independently of each other:

- ✧ Print batches of checks online.
- ✧ Perform the Bank Reconciliation process online.

Chapter XIV discusses the printing of checks online. This chapter describes the CALSTARS screens and reports related to the online bank reconciliation process. It also includes a brief discussion about check transactions. Exhibit XV-1 displays an overview of the bank reconciliation process within the online Check Writer Subsystem.

INTRODUCTION

Manual and automated check transactions post to the CALSTARS master files. Check transactions also post to the Check File when the Check File Indicator on the Organization Control Table/Maintenance screen (Command **I.8**) is set to **Y**. This file provides the basis for performing part of the monthly CALSTARS reconciliation of the department's General Checking Account. The Check File includes detailed information about each check transaction. If more than one transaction is posted for a check, the entries are summed and the total amount is displayed for that specific check number.

During overnight processing, Check File information is passed to the online Check File. The Command **A.2** - Check Reconciliation and the Command **A.3** - Add Outstanding Checks screens are used for performing the online bank reconciliation, which are available through the following screen.

9990 A: Check Issuance and Processing
12-12-2008 09:41 AM

CODE	AVAILABLE OPTIONS
1	Check Writer =>
2	Check Reconciliation =>
3	Add Outstanding Checks

Code: __

Command:

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---

Help Retrn Quit
Main

ADD OUTSTANDING CHECKS SCREEN

When a department decides to use the online checking account reconciliation for the first time, any outstanding checks from the last bank reconciliation must be individually posted to CALSTARS using Command **A.3** - Add Outstanding Checks.

An example of the screen is shown below.

[illegible]

The Add Outstanding Checks form (CALSTARS 76, displayed in Exhibit XV-2) is available on the Internet at <http://www.dof.ca.gov/html/calstars/forms.htm>.

The following fields are included on the Add Outstanding Checks screen:

Check ID - The 9-digit check number.

Check Amount - The dollar amount of the check if it is from one fund. Do not use a decimal or commas. The two right positions denote cents. If the check was disbursed from more than one fund, make an entry for the amount applicable to each fund.

Date - Date of the check (MMDDYYYY).

Fund - 4-digit fund code from which the check was disbursed.

Vendor ID – The 12-digit, alphanumeric Vendor Number of the payee.

Vendor Name - the name of the payee. Enter only if the Vendor Number is not entered.

EXHIBIT XV-1
ONLINE BANK RECONCILIATION PROCESS

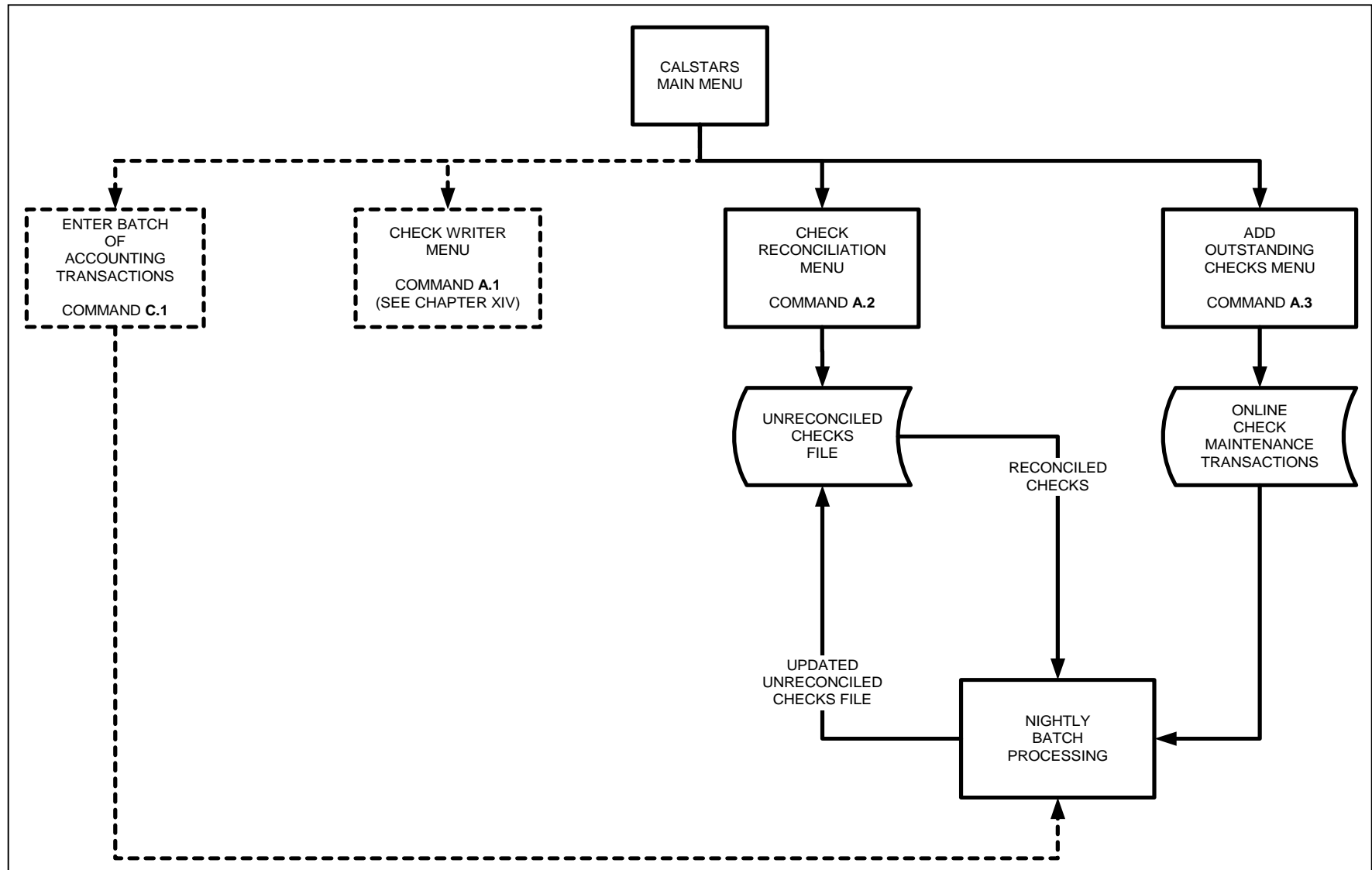


EXHIBIT XV-2

[illegible]

Check records entered on the **A.3 Add Outstanding Checks** screen are edited for reasonableness, such as a valid check date. Transactions added per the **A.3** screen which successfully pass edit verification will post directly to the Check File and will not post to other CALSTARS master files. These transactions display on the prior month and current month outstanding check report. The transactions update the Check File after the accounting/check transactions post to the Check File.

Check records are also entered directly to the Check File through the **A.3 Add Outstanding Checks** screen (without an accounting transaction) for the following reasons:

- ✱ The Check File does not contain all the check activity for the department.
- ✱ A correction to a check transaction is required, but the check was removed from the Check File.
- ✱ A check was erroneously reconciled and removed from the Check File.

To add a check record, key the appropriate information and press **Enter**. Do not key anything in the Function field at the top of the screen when adding check records. A confirmation message is displayed at the bottom of the screen when **Enter** is pressed if the maintenance transaction passes the online edits.

If a check transaction is entered and the check number already exists in the Check File, the check amount is **increased** (not replaced) by the new check transaction amount.

Checks added during the day may be recalled by entering Function **R** on the Add Outstanding Checks screen. When **Enter** is pressed, the Recall Added Outstanding Checks screen displays as shown below.

```

9990 Recall Added Outstanding Checks                                12-12-2008 10:14 AM

      FUNCTION:  _  (A=GO TO ADD OUTSTANDING CHECKS)

C/D CHECK ID  CHK AMOUNT  DATE      FUND  VENDOR ID  VENDOR NAME
_ 999-100000  00000000100  08202008  0001  000000099900  JOHN DOE

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retr  Quit                      Bkwr  Frwr  Main
052-THERE ARE NO REMAINING RECORDS FOR YOUR ORG

```

The Recall Added Outstanding Checks screen displays all check entries made during that day. If errors are found in a record, they may be corrected as follows:

- ✪ If the Check Number or Fund is incorrect, the record must be deleted. To delete the record, key a **D** in the 'C/D' column to the left of the desired record and press **Enter**.
- ✪ If the Check Number and Fund are correct, but another field is incorrect, key a **C** in the 'C/D' column. Tab over to the field to be corrected, key in the correct information, and press **Enter**.
- ✪ If a check record was erroneously added, key a **D** in the 'C/D' column and press **Enter** to delete the record.

CHECK RECONCILIATION SCREENS

The four screens used for the bank reconciliation process are described below. The bank reconciliation procedures follow the description of the screens.

1: View Unreconciled Checks Screen

When the View Unreconciled Checks screen is selected, a pop-up screen is displayed as shown below.

```
9990 A.2: Check Reconciliation                                12-12-2008 01:37 PM

      CODE      AVAILABLE OPTIONS
      1      View Unreconciled Checks
      2      View Checks Reconciled Today
      3      Perform Bank Reconciliation
      4      Display Check File Balances

OPTIONAL      STARTING CHECK NUMBER: ____ - ____

Code: 1

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retr  Quit                                Main
```

If a starting check number is entered on the pop-up screen, the record for that check number or the next sequential check number is displayed on the View Unreconciled Checks screen. An example of the screen is displayed below.

```

9990 A.2.1: View Unreconciled Checks                                12-12-2008 01:30 PM

      ENTER FUNCTION: _ (2=GO TO VIEW CHECKS RECONCILED TODAY)

CHECK NUM  CHK DATE  FUND  VENDOR ID  VENDOR NAME                CHECK AMOUNT
-----
100-000000 10/20/2008 0998 A300000051-00 SACRAMENTO COUNTY            110.00
100-000001 10/25/2008 0998 A400000019-00 BUTTE COUNTY              15.00
100-000002 10/25/2008 0998 A500000004-00 KERN COUNTY               20.00
100-000003 10/25/2008 0998 A500000012-04 JOHN DOE                25.00

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
      Help  Retr  Quit                      Bkwr  Frwr                      Main

```

Checks listed on the View Unreconciled Checks screen are outstanding and have not cleared the department's bank account or have not been reconciled off the screen. Once a check has cleared the bank as part of the monthly check reconciliation process, the check is no longer listed on this screen.

The screen displays the following information for each record.

Check Number - 9-digit check number from the transaction(s).

Check Date - The date of the check from the Due Date field.

Fund – The 4-digit fund code from which the check was disbursed.

Vendor ID - The 12-digit Vendor Number, if entered, from the transaction.

Vendor Name - The name as derived from the Vendor Edit Table or as keyed on the transaction.

Check Amount - The sum of all accounting entries posted to CALSTARS for the check number.

2: View Checks Reconciled Today Screen

When the View Checks Reconciled Today screen is selected, the optional Starting Check Number pop-up screen is displayed. If a starting check number is entered on the pop-up screen, the record for that check number or the next sequential check

number is displayed on the View Checks Reconciled Today screen. An example of the screen is displayed below.

```

9990 A.2.2: View Checks Reconciled Today                                12-12-2008 02:20 PM

ENTER FUNCTION: _ (1=GO TO VIEW UNRECONCILED CHECKS)

CHECK NUM  CHK DATE   STMT DATE   VENDOR ID   VENDOR NAME   CHECK AMOUNT
011 092590 08/20/2008 09/30/2008 1111111111-00 STATE CONTROLLER   1,265.00
011 092592 08/20/2008 09/30/2008 2222222222-00 CENTRAL OFFICE     654.81
012 006360 08/22/2008 09/30/2008 3333333333-00 JOHN DOE           230.00

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retr  Quit                               Bkwr  Frwr  Main

```

NOTE: If an optional starting check number is entered on the pop-up screen, the list is limited to the check number entered and the subsequent records.

3: Perform Bank Reconciliation Screen

When the Perform Bank Reconciliation screen is selected, a pop-up screen is displayed as shown below.

```

9990 A.2: Check Reconciliation                                         12-12-2008 03:02 PM

CODE      AVAILABLE OPTIONS
1         View Unreconciled Checks
2         View Checks Reconciled Today
3         Perform Bank Reconciliation
4         Display Check File Balances

REQUIRED  STATEMENT ENDING DATE: MM / DD / YYYY

OPTIONAL  STARTING CHECK NUMBER: ____ - ____

OPTIONAL  ACCOUNT NUMBER PROCESSING BASED UPON
          FIRST THREE CHARACTERS OF CHECK NUMBER: _ (Y=YES)

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retr  Quit                               Bkwr  Frwr  Main

```


The Statement Ending Date (MM/DD/YYYY) must be keyed to identify the month being reconciled. The Starting Check Number and Account Number Processing Indicator (**Y**-Yes or **Blank**) fields are optional. However, if a department has more than one bank account, a **Y** must be entered in the Account Number Processing Indicator field. A separate reconciliation must be performed for each account. The first 3 digits of the check number is the bank account number.

When the appropriate information is keyed and **Enter** is pressed, the Perform Bank Reconciliation screen is displayed as shown below.

```

9990 A.2.3: Perform Bank Reconciliation                                12-15-2008 08:03 AM

                                STATEMENT DATE: 10/30/2008
ENTER FUNCTION: _ (2=GO TO VIEW CHECKS RECONCILED TODAY,
                  4=GO TO DISPLAY CHECK FILE BALANCES)

TRANS
TYPE  CHECK NUM      CHECK AMOUNT    CHECK DATE    OVERRIDE
      100-000000      110.00      10/20/2008    _ _ _ _
      100-000001       15.00      10/25/2008    _ _ _ _
      100-000002       20.00      10/25/2008    _ _ _ _
      100-000003       25.00      10/25/2008    _ _ _ _

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retrn Quit                               Bkwrdr Frwrdr                               Main

```

If a starting check number is entered on the pop-up screen, the record for that check number or the next sequential check number is displayed on the screen.

The Perform Bank Reconciliation screen includes the following information:

Statement Date - Date (MMDDYYYY) as entered on the pop-up window. This date is assigned to all reconciled check records unless the Override Date is entered.

Transaction Type – Specifies the status of the check. The values are:
U-Unreconciled
R-Reconciled.

Check Number - 9-digit check number from the transaction(s).

Check Amount - The sum of all accounting entries posted to CALSTARS for the check number.

Check Date -The date of the check from the Due Date field.

Override Date - Allows the entry of a statement date that is different from the statement date shown at the top of the screen. This field is used only when two or more bank statements are being reconciled at the same time.

NOTE: The bank reconciliation should be performed timely. However, if the bank reconciliation is not performed timely, each month should be reconciled separately. The oldest month's reconciliation should be performed before proceeding to the next month.

With the exception of the Override Date field, the information included on the Perform Bank Reconciliation screen is also included on the View Unreconciled Checks screen.

4: Display Check File Balances Screen

When the Display Check File Balances screen is selected, a pop-up screen is displayed as shown below.

9990 A.2: Check Reconciliation
12-15-2008 10:54 AM

CODE	AVAILABLE OPTIONS
1	View Unreconciled Checks
2	View Checks Reconciled Today
3	Perform Bank Reconciliation
4	Display Check File Balances

REQUIRED
STATEMENT ENDING DATE: MM / DD / YYYY

Code: 4

Command: _____
 Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
 Help Retr Quit Main

The Statement Ending Date (MM/DD/YYYY) must be keyed to identify the period being reconciled. When the Statement Ending Date is keyed and **Enter** is pressed, the Display Check File Balances screen is displayed as shown below.

```

9990 A.2.4: Display Check File Balances                                12-15-2008 11:43 AM

ENTER FUNCTION: _ (2=GO TO VIEW CHECKS RECONCILED TODAY,
                  3=GO TO PERFORM BANK RECONCILIATION)

RECONCILIATION TOTAL FOR BEGINNING CHECK NO 999-999999 & ENDING ON 11/30/2008

ACC  <-BEG BAL UNRECON CKS->  <--LESS RECON CHECKS-->  <-END BAL UNRECON CKS->
NUM                                AMOUNT COUNT          AMOUNT COUNT          AMOUNT COUNT
100                                200.00    4                25.00    1                175.00    3
200                                500.00    1                500.00    1                 0.00    0
TOT                                700.00    5                525.00    2                175.00    3

Command: _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
      Help  Retrn Quit                        Bkwrdr Frwrdr                        Main

```

The Display Check File Balances screen displays the outstanding Check File balances required for the completion of the bank reconciliation. All records with check dates that are blank, equal to, or less than the statement date are included in the totals.

The Display Check File Balances screen provides the following information for each account number and the entire Check File:

Account Number (ACC NUM) - The bank account number (first three characters of the check number) or 'TOT' for the total of the department's Check File.

Beginning Balance Of Unreconciled Checks - The dollar amount of all checks in the Check File with a check date that is blank, equal to, or less than the statement date. The check count is also displayed.

Less Reconciled checks - The amount of all checks that were marked as reconciled from Command **A.2.3** - Perform Bank Reconciliation screen. This amount should equal the total of the upper section ('Check Listing Account Number') of the bank statement. The check count is also displayed.

Ending Balance Of Unreconciled Checks – The beginning balance of the unreconciled checks less the total of reconciled checks. The check count is also displayed.

BANK ACCOUNT RECONCILIATION PROCEDURES

When the monthly Centralized Treasury Trust System Account statement (bank statement) is received from the State Controller's Office (SCO), the bank reconciliation may be prepared. The reconciliation is prepared by completing the General Checking Account Reconciliation (CALSTARS Form 72). The reconciliation form is displayed in Exhibit XV-3. The form is also available on the Internet at <http://www.dof.ca.gov/html/calstars/forms.htm>.

The reconciliation process verifies that the SCO's adjusted checking account balance agrees to the CALSTARS adjusted general ledger cash balances. The SCO balance is adjusted for timing differences, such as deposits in transit, outstanding checks, and other reconciling items. The CALSTARS balance is adjusted for erroneous or untimely entries.

CALSTARS Reports Required For Bank Reconciliation

Request the following CALSTARS Standard reports as part of the monthly report request process:

G01 - Trial Balance of General Ledger Accounts – Prior Month (**PM**) with the month (**M**) Period option.

H06 - Cash Receipts and Disbursements Register – Prior Month (**PM**).

NOTE: If **1** is selected for I (Index) level of detail, the sum of the entries for each check is displayed. If **2** is selected, the sum of the entries for each deposit is displayed. Refer to Volume 6, Chapter III-H, Exhibit III-H06 for detailed information.

K01 - Outstanding Check Report - Prior Month (**PM**) or for the fiscal month that corresponds with the month being reconciled

General Checking Account Reconciliation Form

The General Checking Account Reconciliation form (CALSTARS Form 72) is available on the Internet at <http://www.dof.ca.gov/html/calstars/forms.htm>. Complete the reconciliation form by performing the steps below. Refer to Exhibit XV-3 for step by step illustrations.

1. Enter the date of the prior month's reconciliation in the heading of the Beginning Balance column **A**. Enter the date of the current month's reconciliation in the heading of the Ending Balance column **D**.
2. Copy all amounts from the prior month's Ending Balance column **D**, to the corresponding lines of the Beginning Balance column **A**.

3. Enter the amounts from the monthly bank statement to the reconciliation form as follows:
 - a) Enter the amount of 'Deposited in Treasury This Period' on line (1) Per Bank Statement in the Receipts column **B**.
 - b) Enter the amount of 'Checks Paid This Period' on line (1) Per Bank Statement in the Disbursements column **C**.
 - c) Enter the amount of 'New Balance' on line (1) Per Bank Statement in the Ending Balance column **D**.
4. Verify that the 'Balance Forward' amount on the bank statement equals the amount entered in Beginning Balance column **A** during Step 2 above.

Reconciliation of Deposits

5. Compare the deposit slips for the reconciliation month to the deposits listed in the 'Deposit Listing Account No. nnn' section of the bank statement. Create a subsidiary listing of all deposits for the reconciliation period that are not included on the bank statement. The listing should include the deposit number, deposit date, and the deposit total. The total amount of the listing represents Deposits in Transit for the month. Print the listing as supporting documentation for the bank reconciliation.
6. Enter the total of the Deposits in Transit as a positive amount in the Receipts column **B**.
7. Compare the total of each Deposit Number on the H06 Report to the deposits listed in the 'Deposit Listing Account No. nnn' section of the bank statement. Note any differences in section (4) Bank Reconciling Items or section (7) CALSTARS Reconciling Items. Refer to the Reconciling Items section in this chapter for detailed information.
8. Enter the Deposits in Transit amount from the prior month as a negative amount in section (2) Deposits in Transit, in the Receipts column **B**. The amount is a positive amount on last month's bank statement. Deposits in Transit from the prior month typically post on the bank statement the following month. If not, further research is required and the amount should be noted in the reconciling item in section (4) Bank Reconciling Items. Refer to the Reconciling Items section in this chapter for detailed information.

Reconciliation of Checks

The CALSTARS portion of the online bank reconciliation process for checks must be completed before Step 9 may be completed. The online bank reconciliation process for checks described below may be used if the OC Table Check File Indicator is set to **Y**. If the indicator is set to **N**, use the manual method described in the following section.

Online Bank Reconciliation Process for Checks

Follow the steps below to complete the online process:

- a) Select Command **A.2.3** - Perform Bank Reconciliation screen. Enter the statement ending date as shown on the Centralized Treasury Trust System Account statement (monthly bank statement). Refer to page 9 if more than one checking account.
- b) Enter **R** in the Function field to the left of the check number to reconcile each check listed in the 'Check Listing Account No. nnn' section on the monthly bank statement. When **Enter** is pressed, the status of the check changes from Unreconciled (outstanding) to Reconciled. If appropriate, enter an Override Date. Before selecting **F8** to view additional checks, press **Enter**. If **Enter** is not pressed before selecting **F8**, the maintenance performed on the previous screen is lost.

CALSTARS deletes reconciled check records from the outstanding check file during nightly processing after accounting/check transactions post to the Check File.

- c) Select Command **A.2.2** - View Checks Reconciled Today screen to verify that all disbursements (checks) on the bank statement have been reconciled. Print the **A.2.2** screen. If not, note the amount as a reconciling item in section (4) Bank Reconciling Items or section (7) CALSTARS Reconciling Items on the bank reconciliation form.

NOTE: Steps a through c must be performed on the same day.

- d) Select Command **A.2.4** - Display Check File Balances screen. Print the **A.2.4** screen. The total of the checks reconciled should equal the total of the checks paid in the disbursements section of the bank statement. The amount of the Ending Balance of Unreconciled Checks should equal the total of outstanding checks on the K01 Report **after** overnight processing.
- e) Request the K01 Report - Prior Month (PM) or for the fiscal month that corresponds with the month being reconciled. If the K01 Report is requested the same day that steps **a – c** above were performed, the report must be requested as an overnight report (not **N** or **F** Output Destination). The K01 Report is kept with the bank reconciliation as supporting documentation for the outstanding checks amount. This K01 Report may also be compared to the K01 Report requested as part of the monthly report request process to identify any changes.

Optional Manual Reconciliation Process for Checks

Follow the steps below to complete the manual process:

- a) Compare each check amount on the H06 Report to the check amount listed in the 'Check Listing Account No. nnn' section of the bank statement. Any amount that is posted on the bank statement, but is not posted on the H06 Report or is posted for an incorrect amount, represents a CALSTARS reconciling item. (Refer to Exhibit XV-3 and Exhibit XV-4, Step 9.) In the exhibits the check is posted on the bank statement, but is not posted to the H06 Report.
- b) Compare the amount of each check foil to the check amount listed in the 'Check Listing Account No. nnn' section of the bank statement. Amounts not included on the bank statement represent Outstanding Checks.

After the completion of either the online or manual check reconciliation process, finish completing the General Checking Account Reconciliation form by following the steps below:

9. Enter the total amount of Outstanding (unreconciled) Checks as a negative amount in the Disbursements column **C**. This amount should equal the 'Total Amount of Outstanding Checks By Account Number' on the K01 Report.
10. Enter the total of the Outstanding Checks from the prior month as a positive amount in the Disbursements column **C**.
11. Copy the amount of the total receipts, total disbursements and the Ending Balance per fund from the G01 Report (M Period option) to the bank reconciliation form in section (6) columns **B**, **C** and **D** respectively. Enter the debit as a positive and the credit as a negative.
12. Sum each row (Columns **A** thru **C**) and enter the total in the Ending Balance column **D**.
13. Sum the columns in the Controller's (upper) section of the reconciliation and enter the totals on line (5) Adjusted Balance. Sum the columns in the CALSTARS' (lower) section of the reconciliation and enter the totals on line (8) Adjusted CALSTARS Balance.

The total amounts on line (5) Adjusted Bank Balance should agree with corresponding columns total amounts on line (8) Adjusted CALSTARS Balance. Any remaining differences must be identified and noted in either section (4) Bank Reconciling Items or section (7) CALSTARS Reconciling Items. Refer to the next section for detailed information.

Reconciling Items

Reconciling items are either bank reconciling items or CALSTARS reconciling items. Examples of both are described below.

Bank Reconciling Items

Amounts posted erroneously on your agency's bank statement represent reconciling items to the bank. These errors are identified in section (4) Bank Reconciling Items.

An example of a reconciling item to the bank is displayed in Exhibit XV-3 and Exhibit XV-4, Step 14. In this situation, Check Number 00088936 for \$100.00 was posted erroneously to Account 244, but was not issued from that account. The reconciling amount is entered in the Disbursement column as a positive amount to offset the negative \$9,480.49 (total checks paid).

If a deposit is posted to the wrong account, the amount is entered in the Receipts column as a negative to offset the total receipts amount.

Notification must be sent to State Treasurer's Office for reconciling items to the bank. Refer to Exhibit XV-9 for detailed instructions regarding notification instructions.

CALSTARS Reconciling Items

Amounts not posted to CALSTARS timely or posted erroneously represent reconciling items to CALSTARS. These errors are identified in section (7) CALSTARS Reconciling Items.

An example of a reconciling item to CALSTARS is displayed in Exhibit XV-3 and Exhibit XV-4, Step 15. In this situation, check number 244-000187 was not posted to CALSTARS until the following fiscal month. The reconciling amount is entered in the Disbursements column as a negative amount to increase the total credit (negative) amount.

If a check is not posted to CALSTARS timely or is posted for a lesser amount than the check amount, the amount is entered as a negative. If a check is posted for a higher amount than the check amount, the amount is entered as a positive amount.

If a deposit is not posted to CALSTARS timely or is posted for a lesser amount than the deposit, the amount is entered in the Receipts column as a positive amount to increase the cash balance. If a deposit is posted for a higher amount than the deposit amount, the amount is entered as a negative amount to decrease the cash balance.

Some differences in the Receipts and Disbursements columns typically result from the following entries:

- ✧ Credit entries that represent a reversal of the original entry for Uncleared Collections.
- ✧ Credit entries that represent a reclassification of Uncleared Collections to the correct nominal account.
- ✧ Credit entries for Cash Shortages.
- ✧ Credit entries for some dishonored checks.
- ✧ Credit entries for Year End adjustments.
- ✧ Debit entries for cash overages.

Step 2

EXHIBIT XV-3

Step 3a

Step 3b

Step 10

GENERAL CHECKING ACCOUNT-RECONCILIATION

ORG CODE: 9990ACCOUNT NUMBER: 244 -

STATEMENT DATE:

12/31/2008

	Step 1 A Beg Balance as of MM/DD/YYYY	B Receipts	C Disbursements	D End Balance as of MM/DD/YYYY
(1) Per Bank Statement	87,393.17	12,270.70	(9,480.49)	90,183.38
(2) Deposits in Transit:				
8/31/2008	4,776.75	(4,776.75)		0.00
9/30/2008		1,000.00		1,000.00
(3) Outstanding Checks:				
8/31/2008	(233.54)		233.54	0.00
9/30/2008			(725.00)	(725.00)
(4) Bank Reconciling Items:				
Check 0088354 not our agency check			100.00	100.00
(5) Adjusted Bank Balance	91,936.38	8,493.95	(9,871.95)	90,558.38
(6) Per CALSTARS G01 Trial Bal				
General Cash (GL 1110):				
General Fund (0001)	55,736.58	7,158.95	(4,554.95)	58,340.58
ORF Cash (GL 1130)	36,199.80	1,335.00	(3,813.00)	33,721.80
Agency Trust Cash (GL 1120)				
(7) CALSTARS Reconciling Items:				
Check #244-000187 posted FM04, B#100,	0.00	0.00	(1,504.00)	(1,504.00)
(8) Adjusted CALSTARS Balance	91,936.38	8,493.95	(9,871.95)	90,558.38

Step 4

Step 8

Step 1

Step 3c

Step 12

Total by row
of Columns
A+B+C

Step 10

Step 14

Step 13

Step 11

Step 15

Prepared By: _____ Date: _____ Reviewed by: : _____ Date: _____

EXHIBIT XV-4

CENTRALIZED TREASURY TRUST SYSTEM ACCOUNT STATEMENT

2008 PAGE 1

SECTION 16305 - 16305.8 GOVERNMENT CODE

CONTROLLER OF CALIFORNIA
DIVISION OF ACCOUNTING AND REPORTING

PERIOD ENDING 12-31-2008

Step 1

ACCOUNT NO. 244`

MAIL CODE: 9990

GENERAL CHECKING/REV FUND
DEPARTMENT OF AIR QUALITY

BALANCE FORWARD

\$87,393.17

Step 4

DEPOSITED IN TREASURY THIS PERIOD

\$12,270.70

Step 3a

CHECKS PAID THIS PERIOD

\$9,480.49-

Step 3b

NEW BALANCE

\$90,183.38

Step 3c

CHECK LISTING ACCOUNT NO. 244

CHECK

MO	DY	NUMBER	EXPL.	AMOUNT
12	01	00000180		\$233.54-
12	06	00000183		\$4,651.00-
12	14	00088354		\$100.00-

MO	DY	NUMBER	EXPL.
12	05	00000181	
12	08	00000184	
12	10	00R00063	

AMOUNT
\$99.95-
\$200.00-
\$750.00-

MO	DY	NUMBER	EXPL.	AMOUNT
12	06	00000182		\$829.44-
12	12	00000187		\$1,504.00-
12	23	00R00064		\$1,112.56-

TOTAL CHECKS	COUNT	9	AMOUNT	\$9,480.49-
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Step 14

DEPOSIT LISTING ACCOUNT NO. 244

OFFICE

MO	DY	NUMBER	EXPL.	AMOUNT
12	01	1244000025		\$4,776.75
12	17	1244000028		\$115.00

MO	DY	NUMBER	EXPL.	AMOUNT
12	05	1244000026		\$2,548.00
12	23	1244000029		\$1,044.00

MO	DY	NUMBER	EXPL.	AMOUNT
12	10	1244000027		\$2,786.95
12	30	1244000030		\$1,000.00

TOTAL DEPOSITS	COUNT	6	AMOUNT	\$12,270.70
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Step 15

CSTARH06	9990	(DEST: D1 FILL) PM,	,2,0,0,2,	,	,	,	,	,		***** RUN:01/15/09 TIME:18.36
FISCAL MONTH:	06	DECEMBER	2(LCDEP)	*****	2(BYFDT)	FUND(ALL)	*****			
DEPARTMENT OF AIR QUALITY CASH RECEIPTS & DISBURSEMENTS REGISTER AS OF 12/31/08										
***** PAGE 4										
FUND:	0001	GENERAL FUND								
FUND DTL:	*****									
LOC DEPOSIT OR CHECK-NBR	CUR-DOC-SF	REF-DOC-SF	DATE TP NO SEQ D MM-DD-YY TC R FFY GL	--TRANSACTION ID-	DOC DATE	VENDOR-NBR SF	VENDOR NAME	AMOUNT		
---	-----	-----	-----	----	-----	-----	-----	-----	-----	-----
124 4000000028	04201103	DFR0050807	08122202159000080	12-22-08	102	08 8100	OFFICE OF TRAFFIC SAFETY	20.00		
124 4000000028	04201103	DFR0050808	08122202159000090	12-22-08	102	08 8100	OFFICE OF TRAFFIC SAFETY	25.00		
124 4000000028	04186217	DFR0390107	08122202159000110	12-22-08	115	07 1400	DEPT OF PARKS & RECREATI	10.00		
124 4000000028	04186217	DFR0390108	08122202159000120	12-22-08	115	07 1400	DEPT OF PARKS & RECREATI	15.00		
124 4000000028	04211095	DFR0390109	08122202159000060	12-22-08	115	07 1400	DEPT OF PARKS & RECREATI	30.00		
124 4000000028	04203034	DFR0710309	08122202159000070	12-22-08	115	08 1400	CA STATE LIBRARY	10.00		
124 4000000028	04210244	DFR0820410	08122202159000050	12-22-08	115	08 1400	STATE ENERGY RESOURCES C	5.00		
***** TOTAL LOC DEPOSIT								124 4000000028	115.00	
124 4000000029	04215524	#095932708	08122902164000070	12-23-08	102	08 8100	STATE PERSONNEL BOARD	44.00		
124 4000000029	04220258	DFR0710310	08122902164000050	12-23-08	115	08 1400	CA STATE LIBRARY	100.00		
124 4000000029	04228091	DFR1680709	08122902164000030	12-23-08	115	08 1400	AIR RESOURCES BOARD	300.00		
124 4000000029	04226317	DFR1850809	08122902164000010	12-23-08	115	08 1400	AIR RESOURCES BOARD	200.00		
124 4000000029	04226317	DFR1850810	08122902164000020	12-23-08	115	08 1400	AIR RESOURCES BOARD	100.00		
124 4000000029	04206172	DFR1870710	08122902164000040	12-23-08	115	08 1400	CA ENERGY COMMISSION	100.00		
124 4000000029	04138367	INV#1137	08122902164000060	12-23-08	102	08 8100	STATE PERSONNEL BOARD	200.00		
***** TOTAL LOC DEPOSIT								124 4000000029	1,044.00	
124 4000000030	04144488	DFR1060508	08121202153000130	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	100.00		
124 4000000030	04144644	DFR1060509	08121202153000080	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	75.00		
124 4000000030	04144487	DFR1060509	08121202153000090	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	225.00		
124 4000000030	04144643	DFR1060509	08121202153000100	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	49.25		
124 4000000030	04144488	DFR1060509	08121202153000110	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	49.75		
124 4000000030	04144488	DFR1060509	08121202153000140	12-10-08	115	08 1400	CA PUBLIC UTILITIES COMM	200.00		
***** TOTAL LOC DEPOSIT								124 4000000030	1,000.00	
**** TOTAL RECEIPTS *****										

EXHIBIT XV-5 (Continued)

CSTARH06 9990 (DEST: D1 FIL1) PM, ,1,0,0,2, , , , , ,
FISCAL MONTH: 06 DECEMBER 1(TOTAL)***** 2(BYFDT) FUND(ALL)*****

***** RUN:01/15/09 TIME:18.36

DEPARTMENT OF AIR QUALITY
CASH RECEIPTS & DISBURSEMENTS REGISTER
AS OF 12/31/08

***** PAGE 6

FUND: 0001 GENERAL FUND

FUND DTL:

LOC DEPOSIT OR		--TRANSACTION ID- DOC DATE														
CHECK-NBR	CUR-DOC-SF	REF-DOC-SF	DATE	TP	NO	SEQ	D	MM-DD-YY	TC	R	FFY	GL	VENDOR-NBR	SF	VENDOR NAME	AMOUNT

244-000184	REFUND0001	DP011641	09010706059000010	12-10-08	290	07	9000	9999999999	00	JANE DOE	200.00-
							**	TOTAL CHECK NUMBER	244000184		200.00-

244-000185	REFUND0002	CELL-USE	09010706052000010	12-10-08	290	08	9000	9999999999	00	JOHN DOE	350.00-
							**	TOTAL CHECK NUMBER	244000185		350.00-

244-000186 NOV PARKNG 0098745800 09010706055000010 12-12-08 438 08 3730 CENTRAL PARKING 375.00-
 ** TOTAL CHECK NUMBER 244000186 375.00-

244-R00063	R00063	08121502155000010	12-10-08	124	08	1115	PUC	250.00-
244-R00063	R00063	08121502155000030	12-10-08	124	08	1115	PUC	200.00-
244-R00063	R00063	08121502155000050	12-10-08	124	07	1115	PUC	300.00-
** TOTAL CHECK NUMBER 244R00063								750.00-

244-R00064 R00064	08122902163000010 12-23-08 124 08 1115	GF-REIMB	1,112.56-
	** TOTAL CHECK NUMBER 244R00064		1,112.56-

***** TOTAL DISBURSEMENTS ***** 8,367.95-

* NET OF RECEIPTS AND DISBURSEMENTS FOR FUND DETAIL	126.00
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* NET OF RECEIPTS AND DISBURSEMENTS FOR FUND 0001	126.00
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**= Outstanding Check Amount
(350.00 + 375.00 = 725.00)
Refer to K01 – Exhibit XV-5 &
Exhibit XV-3, Step 9**

EXHIBIT XV-7

CSTARG01 9990 (DEST: D1 FIL1) PM,M,1,0,0,2,
FISCAL MONTH: 06 DECEMBER 1(SEC)***** 2(BYFDT) FUND(ALL) GL(ALL)
DEPARTMENT OF AIR QUALITY
TRIAL BALANCE OF GENERAL LEDGER ACCOUNTS
AS OF 12/31/08

***** RUN:01/15/09 TIME:18.34

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***** PAGE 1
SECTION      : 00
FUND         : 0001    GENERAL FUND
FUND DETAIL: 00
*****

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Step 11

GLAN	ACCOUNT TITLE	D	BEGINNING BALANCE	DEBITS	CREDITS	ENDING BALANCE	GLAN
1110	GENERAL CASH	D	55,736.58	7,158.95	4,554.95	58,340.58	1110
1115	GENERAL CASH REMITTANCE IN TRANS	D	1,036.85	507,841.15	508,878.00	0.00	1115
1130	REVOLVING FUND CASH	D	200,000.00	0.00	0.00	200,000.00	1130
1140	CASH IN STATE TREASURY	D	11,484,954.31	667,220.77	4,533,873.00	15,351,606.54	1140*
1190	CASH ON HAND	D	0.00	0.00	0.00	0.00	1190
1311	ACCOUNTS/REC - ABATEMENTS	D	14,843.98	1,119.53CR	397.60DR	14,122.05	1311
1315	ACCOUNTS RECEIVABLE DISHONORED	C	36.25	0.00	36.25	0.00	1315
1319	ACCOUNTS RECEIVABLE OTHER	D	3,548.15	0.00	0.00	3,548.15	1319
1400	DUE FROM OTHER FUNDS OR APPROPRIAT	D	1,711,982.04	597,707.68	531,636.91	1,778,052.81	1400
1600	PROVISION FOR DEFERRED RECEIVABLES	C	3,584.40	36.25	0.00	3,548.15	1600
1710	EXPENSE ADVANCES	D	0.00	0.00	0.00	0.00	1710
1730	PREPAYMENTS TO OTHER FUNDS & APPROPRIAT	D	480,144.18	197,553.75	158,678.75	519,019.18	1730
2600	DEFERRED CHARGES	D	0.00	0.00	0.00	0.00	2600
3010	ACCOUNTS PAYABLE	C	24,037.80	0.00	0.00	24,037.80	3010
3020	CLAIMS FILED	C	291,061.12	667,338.86	470,859.43	94,581.69	3020
3021	CLAIMS IN PROCESS	C	0.00	470,859.43	470,859.43	0.00	3021
3110	DUE TO OTHER FUNDS OR APPROPRIAT	C	0.00	0.00	0.00	0.00	3110
3220	DUE TO LOCAL GOVERNMENT	C	0.00	0.00	0.00	0.00	3220
3730	UNCLEARED COLLECTIONS	C	44,314.92	58,794.00	16,181.24	1,702.16	3730
5330	RESERVE FOR PREPAID ITEMS	C	324,000.00	0.00	0.00	324,000.00	5330
5570	FUND BALANCE--CLEARING ACCOUNT	C	1,909,845.38	0.00	0.00	1,909,845.38	5570
6110	APPROPRIATIONS	C	6,896,896.57	0.00	1,915,000.00	8,811,896.57	6110
6120	APPROPRIATIONS--OFFSET	D	6,896,896.57	1,915,000.00	0.00	8,811,896.57	6120
6130	ALLOTMENTS	C	2,214,980.24	0.00	0.00	2,214,980.24	6130
6140	ALLOTMENTS--OFFSET	D	2,214,980.24	0.00	0.00	2,214,980.24	6140
6150	ENCUMBRANCES	D	1,181,734.89	13,777.13	112,850.78	1,082,661.24	6150
6152	START-OF-YEAR ENCUMBRANCES	C	2,214,980.24	0.00	0.00	2,214,980.24	6152
6155	ENCUMBRANCES - OFFSET	C	1,181,734.89	112,850.78	13,777.13	1,082,661.24	6155
6157	START OF YEAR ENCUMBRANCE--OFFSET	D	2,214,980.24	0.00	0.00	2,214,980.24	6157
6160	ALLOCATED ENCUMBRANCES - MONTHLY	D	14,115.36	202,589.73CR	204,141.11DR	12,563.98	6160*
6161	ALLOCATED ENCUMBRANCES - OFFSET	C	14,115.36	204,141.11CR	202,589.73DR	12,563.98	6161*
6171	START OF YEAR PAYABLE	C	4,829,773.36	0.00	0.00	4,829,773.36	6171
6181	START OF YEAR PAYABLE--OFFSET	D	4,829,773.36	0.00	0.00	4,829,773.36	6181
6230	ESTIMATED REIMBURSEMENTS	D	1,072,711.05	19,679,000.00	0.00	18,606,288.95	6230
6231	ESTIMATED REVENUE	D	5,712.00	0.00	0.00	5,712.00	6231
6240	ESTIMATED REIMBURSEMENTS-OFFSET	C	1,072,711.05	0.00	19,679,000.00	18,606,288.95	6240
6241	ESTIMATED REVENUE-OFFSET	C	5,712.00	0.00	0.00	5,712.00	6241
8000	REVENUE/OPERATING REVENUE	C	352.53	0.00	0.00	352.53	8000

EXHIBIT XV-8

CSTARG01 9990 (DEST: D1 FIL1) PM,M,1,0,0,1,
FISCAL MONTH: 06 DECEMBER

DEPARTMENT OF AIR QUALITY
TRIAL BALANCE OF GENERAL LEDGER ACCOUNTS
AS OF 12/31/08

***** RUN:01/15/09 TIME:18.34

***** PAGE 275

SECTION : 00

FUND : 0998 OFFICE REVOLVING FUND

FUND DETAIL: 00

GLAN	ACCOUNT TITLE	D C	BEGINNING BALANCE	DEBITS	CREDITS	ENDING BALANCE	GLAN
1110	GENERAL CASH	D	0.00	0.00	0.00	0.00	1110
1130	REVOLVING FUND CASH	D	36,199.80	1,335.00	3,813.00	33,721.80	1130
1190	CASH ON HAND	D	100.00	0.00	0.00	100.00	1190
1400	DUE FROM OTHER FUNDS OR APPROPRI	D	17,458.75	36,762.99	28,901.12	25,320.62	1400
1710	EXPENSE ADVANCES	D	67,383.61	25,245.15CR	3,244.50	38,893.96	1710
1712	TRAVEL ADVANCES	D	72,758.04	2,100.00	48,177.12	26,680.92	1712
1714	SALARY ADVANCES	D	10,723.49	8,566.34	10,132.68	9,157.15	1714
9998	START OF SYSTEM CLEARING ACCOUNT	D	200,000.00-	0.00	0.00	200,000.00-	9998*
TOTAL FUND DETAIL 00			0.00	75,876.61	75,876.61	0.00	
TOTAL FUND 0998			0.00	75,876.61	75,876.61	0.00	

Step 11

SAM - Chapter 8000

8060 - RECONCILIATIONS

(Revised 8/98)

All bank and centralized State Treasury System (CTS) accounts will be reconciled promptly at the end of each month. See SAM Sections 7900 and 7967. This does not preclude reconciliations at other times of the month as considered necessary by the agency.

If it is determined by the reconciliation that an error has been made, agencies will notify the State Treasurer's Office. **DO NOT NOTIFY THE BANK.**

Report of Deposit Errors:

1. If there is an item on the statement that you cannot identify, copy that page of your CTS statement and highlight the item. Send the copy with a brief letter of explanation.
2. If you did not receive credit for a deposit, verify that all of the information on the Report of Deposit is complete and accurate. Send a legible photocopy of the Report of Deposit on white letter size paper only. **DO NOT** send agency or bank copies.
3. If there is a discrepancy in the amount of credit, send photocopies of the Report of Deposit and the CTS statement with the item highlighted. Send the copies with a brief letter of explanation.
4. If the Report of Deposit errors involve more than one bank, a separate letter is required for each bank.

The above items 1-4 must be sent to:

State Treasurer's Office
Bank Reconciliation Unit
915 Capitol Mall, C-15
P. O. Box 942809
Sacramento, CA 94209-0001

If there is an agency check error on the CTS statement, make legible photocopies of the check, front and back, and the statement. Send the copies with a brief letter of explanation to:

State Treasurer's Office
Warrant Processing Unit, Room 2
915 Capitol Mall, C-15
P.O. Box 942809
Sacramento, CA 94209-0001

Do not include Report of Deposit errors with agency check errors on any letter of explanation. A separate letter is required for each type of error.

CHECK TRANSACTIONS

Automated check batches are released from the Command **A.1.6** - Release Check Batches screen. Manual check batches are released from the Command **C.2** - List of Batches screen. Both types of check transactions are edited against the department's tables and files like all other financial transactions. Transactions that fail a batch edit post to the Error File and display on the CFB200-2 Error Correction Report.

If a transaction includes a check number that already exists in the Check File, the outstanding check amount is **adjusted** (not replaced) by the new transaction amount.

Check Transaction Corrections

Corrections to check transactions may only be posted with a **manual** check Transaction Code. When a reversing entry is posted to CALSTARS, the Check File is searched for a matching check record. The record must include the same check number, check date, fund, and vendor number if used. If a matching record is not found, the 'E85 - CHECK FILE NO MATCH' error message is displayed on the Error Report. This error is fatal and cannot be overridden. If a PCA is used to look up the fund, the E85 error is issued online. The online message can be overridden; however, the transaction will post to the Error File unless the appropriate information is added to the Check File before nightly processing.

If a correction is needed for a check that has already been reconciled from the Check File, the check may be temporarily added back to the Check File through Command **A.3**. Add Outstanding Checks screen.